

**Lee County Board Of County Commissioners
Agenda Item Summary**

Blue Sheet No. 20051765

1. ACTION REQUESTED/PURPOSE:

Approve award of formal quotation (RFP B&R 2661-SM300) and issuance of a purchase order to Alfa Laval, the low price proposer, meeting all specification requirements for closed cooling water heat exchangers in an amount not to exceed \$71,950.00.

2. WHAT ACTION ACCOMPLISHES: Provides the necessary heat exchangers for the Waste To Energy Expansion Project.

3. MANAGEMENT RECOMMENDATION: Staff recommends approval of the motion.

4. Departmental Category: 8

CBA

5. Meeting Date: 12-20-2005

6. Agenda:

- Consent
- Administrative
- Appeals
- Public
- Walk-On

7. Requirement/Purpose: (specify)

- Statute
- Ordinance
- Admin. Code 4-1
- Other

8. Request Initiated:

Commissioner _____
 Department Public Works
 Division Solid Waste
 By: Lindsey J. Sampson

Lindsey J. Sampson

9. Background:

Sealed quotes were received by the County's design engineer, Burns & Roe, on behalf of the Solid Waste Division on July 25, 2005. On that date four (4) responses were received.. After review, recommendation was made to award to the low-priced proposer meeting all specification requirements.

Funds are available in account string: 200923 40102.506540

Attachments:

- Burns & Roe bid evaluation dated 11/11/05
- B&R Bid Abstract
- Covanta Comments on the B&R bid evaluation dated 11/30/05

10. Review for Scheduling:

Department Director	Purchasing or Contracts	Human Resources	Other	County Attorney	Budget Services			County Manager/P.W. Director
					Analyst	Risk	Grants	
<i>J. Sanders</i> 12-7-05	<i>N.H. [unclear]</i> 12-7-05	<i>NH</i>	<i>#</i>	<i>[unclear]</i>	<i>[unclear]</i>	<i>[unclear]</i>	<i>[unclear]</i>	<i>J. Sanders</i> 12-7-05

11. Commission Action:

- Approved
- Deferred
- Denied
- Other

RECEIVED BY COUNTY ADMIN: *[Signature]*
 COUNTY ADMIN FORWARDED TO: *[Signature]*
 12/7/05

REC'D by CO. ATTY. 12/7/05
 2:05pm
 CO. ATTY.
 FORWARDED TO:
 12/7 2:55pm



November 11, 2005

**LEE COUNTY
WTE EXPANSION PROJECT
FORT MYERS, FLORIDA**

**RFP 2661-M300
CLOSED COOLING WATER HEAT EXCHANGERS**

BID EVALUATION

Burns and Roe Enterprises, acting on behalf of Lee County issued Request for Proposal No. 2661-M300 "Closed Cooling Water Heat Exchangers" on June 30, 2005 to the following pre-approved bidders: Alfa Laval (AL); ITT Standard (ITT); Tranter (T); and Viex (V).

July 25, 2005 bids were received from:

- Alfa Laval proposal #2005-R1-T1-8196 dated 7/20/05
- ALB Associates, on behalf of ITT Standard, proposal dated 7/21/05
- Tranter proposal #410388 dated 7/20/05
- Viex proposal # V05-22972U dated 7/25/05

Bids were opened and recorded on the Proposal Opening Form included here as Attachment A. The original material of construction specified was Titanium. All bidders quoted this material; however, due to shortage of Titanium, lead time for obtaining Titanium is approximately two (2) years. Alternate material, with lead time consistent with the project schedule, was requested. Bidders updated their bids based upon alternate materials that meets the technical and performance requirements of the equipment.

Attachment B is the Bid Abstract comparing bid prices and adjustments based on alternate materials.

RECOMMENDATION:

The recommended award of the contract is to Alfa Laval. Recommended award price is \$71,950 FOB Jobsite, Freight Prepaid and Allowed and excludes cost of Bonds and Sales or Use Tax.

Base Price (2 exchangers)	\$65,850.
Price adjustments to comply with Specifications	\$ 5,600.
Comply with insurance requirements	<u>\$ 500.</u>
Recommended Award Price:	\$ 71,950.

BID EVALUATION 2661-M300 "Closed Cooling Water Heat Exchangers" (cont'd)

COMMERCIAL EVALUATION:

Four (4) bids were initially received and reviewed. Bids were based upon the specified construction material of Titanium. As earlier stated, the shortage of Titanium required seeking alternate material. Updated bids (alternate material) were requested from Alfa Laval, ITT, and Viex. Tranter, the fourth bidder, price was more than 100% higher and, therefore, was not requested to update its bid. Alfa Laval, ITT and Viex submitted revised bids. Following is summary based upon bids with alternate material.

ITT and Viex revised bids were approximately 70% and 48% respectfully higher than Alfa Laval and no further detail evaluation was conducted.

Alfa Laval...providing SMO254 material which Alfa Laval states will meet service conditions including ph and temperature (9-12-05 email). Bid price for two heat exchangers is \$65,850 FOB Jobsite. Cost adjustments of \$5,600 for technical requirements and \$500 for Alfa Laval meeting insurance requirements in the T&C's were applied.

-Drawing submitted for approval in 4 weeks after receipt of order.

-Payment terms are: 20% upon submittal of drawings
80% upon shipment.

-Attached are the Services/Goods Purchase Conditions as redlined by Alfa Laval. There are three comments made. Two of the three would be acceptable and the third deals with insurance subrogation rights. Requested withdrawal of the latter and Alfa Laval did so with a \$500 increase in price.

-No special tools or spare parts are required for installation or commissioning.

-Price valid through November 15, 2005. Realizing award by 11/15 is not possible, in process of requesting Alfa Laval extend validity thru end of November and maintain delivery.

-Delivery is scheduled for March 1, 2006 based upon 11/15/05 date.

ATTACHMENT B

BID ABSTRACT		CCW HEAT EXCHANGERS		
Burns and Roe Enterprises, Inc.		1	2	3
W/O: 2661 Lee County Expansion Project		ALFA LAVAL	ITT STANDARD	VIEX
RFP 2661-M-300_CCW_Heat Exchangers		SMO254	Hastelloy	AL6XN
BUDGET: \$				
ITEM	QTY	UNIT	DESCRIPTION	
1	2	ea	Closed Cooling Water Heat Exchangers	
			Engineering	included
			CC-HX-002A	\$ 32,500 \$ 60,103 \$ 52,450.00
			CC-HX-002B	\$ 32,500 \$ 60,103 \$ 52,450.00
			Freight	\$ 850 \$ 1,220 \$ 1,200.00
			As Bid Total	\$ 65,850 \$ 121,426 \$ 106,100.00
			Technical Adjustments	\$ 5,600 no further eval no further eval
			Insurance Requirement (T&C's)	\$ 500
			Recommended Award Price	\$ 71,950 base \$ 121,426 \$ 106,100.00
				\$ 71,950 +70% +48%
			Start-up Spares-Gaskets/Bolts	none req'd
			Sales/Use Tax	none
			PERFORM./PAYMENT BONDS	\$ 1,200
			Drawings Submitted	4 wks ARO
			Jobsite Delivery	1-Mar-06
			PAYMENT TERMS	
			F.O.B. Delivered DESTINATION	yes
			TECHNICALLY ACCEPTABLE	Yes
AWARD RECOMMENDATION: Alfa Laval				DATE:
REASON FOR RECOMMENDATION:				DATE:

NOTES: Original RFP issued requiring Titanium material. Lead time unacceptable. Bidders requested to quote their standard material.

Sampson, Lindsey J.

From: Peter Young [pyoung@CovantaEnergy.com]
Sent: Wednesday, November 30, 2005 5:31 PM
To: Sampson, Lindsey J.; Glenn Fontana
Cc: Dennis Anacker; dcastro@hdrinc.com; Don D'Amico; Steve Stuhrke
Subject: Selection and Recommendation - Closed Cooling Water Heater Exchangers

Attachments: Final T&C's.doc



Final T&C's.doc (47
KB)

Gentlemen,

Based on B&R's Closed Cooling Water Heat Exchanger Bid Evaluation, dated 11/11/05, transmittal dated and posted on November 30, 2005, Covanta concurs with B&R's selection and recommendation to purchase the subject package from Alfa Laval Inc.

It should be noted that titanium material was specified for the plates, consistent with the material provided for original Facility's exchangers. Due to the excessive cost and unacceptable lead time required for titanium, 254-SMO Stainless Steel has been selected as an alternate material to satisfy these concerns. Although titanium is a superior material, B&R believes the high alloy SS material is an acceptable alternative and Covanta concurs.

The following comments are for your consideration and guidance:

1. Commercial Terms & Conditions - Vendor ultimately agreed to most all of the T&C's provided in B&R's RFP, but for a \$500 adder (to keep waiver of subrogation rights) - see attached final terms dated 11/22/05.
2. Price: Covanta concurs with B&R's Award Price of \$71,950.
3. Project Estimate: \$42,595
4. Bond: Excluded. This is an equipment delivery only order, therefore County does not require a bond and is not included in the recommended award.
5. Payment Terms: 20% upon submittal of drawings and 80% upon delivery to site - all net 30 days.
6. Schedule: A delivery date of March 1, 2006 is consistent with the Project Schedule requirements.

B&R should proceed immediately with the following:

- 1) Confirm that pricing validity can be extended to December 23rd and that the March 1, 2006 delivery can be held based on an Order by December 23, 2005. The County may need to expedite this order to week of 12/13/05 if vendor does not respond favorably.
- 2) Issue the County a purchase order term sheet that reflects the final agreements and understandings to be incorporated into the purchase order;
- 3) Issue the conformed specification

B&R's original and current schedule for issuing this PO was September 1, 2005 and September 20, 2005, respectively. Covanta recommends that the County have this award approved by the BOCC by the December 13, 2005 BOCC Meeting.

Peter

-----Original Message-----

From: Patricia Serrette [mailto:pserrette@roe.com]

Sent: Wednesday, November 30, 2005 2:58 PM

To: ekhalikar@aaesengineering.com; Sagar, Amrit; Anacker, Dennis; Gounaris, Demetrios; Holmes, Jack; Howard, Jody; Duff, Michael; Fulco, Nilma; Young, Peter; Harbison, Russell; Libertell, Trish; don.castro@hdrinc.com; AvogliMS@leegov.com; sampsolj@leegov.com; Andrew Preisler; D'Amico, Don; Dennis Iavarone; Glenn Fontana; Rubin, Ira; Joseph Craven; John Ferrari; Justin Mathew; Cole, Kevin; Patel, Manu; Stuhrke, Steve; jkelly1119@verizon.net
Subject: Transmittal T-M-121 Bid Evaluation M-300 Closed Cooling Water Heater Exchangers

The document(s) list in the attached transmittal has/have been issued and posted to the project website. You will find them under webprojects\vaults\02661-001-Lee County WTE Expansion\BREI Released Documents\Bid Evaluations\and then the applicable sub-vault.

Patricia F. Serrette
Burns & Roe Enterprises
800 Kinderkamack Road
Oradell, NJ 07649
(201) 986-4098
pserrette@roe.com